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AUTHOR Shreeve, William; And Others
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ABSTRACT

The philosophy, operations, and applications of the Eastern Washington University Department of Education Merit Pay System are described. The system is designed to: eliminate arbitrary assessments, reward desired behaviors, award merit pay to those achieving designated goals, individualize rewards, encourage cooperation, and simplify evaluative procedures. A list of desired teacher behaviors, which can be developed in cooperative meetings between administrators and professors, includes teaching performance and scholarly and professional achievement. Participation in the merit pay system is voluntary. Faculty can contract with the merit pay committee for a certain type and level of achievement. Participants may design a project, such as major research or writing a book. Once selections are made, each professor knows what types of work must be accomplished to receive merit pay. The contract system of merit pay increases self-esteem, emphasizes self-directed learning, allows for individual differences, and overcomes objections to arbitrary evaluative techniques. The application of the merit pay system to public school systems is also briefly addressed. (SW)

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CONTRACTING FOR MERIT PAY

THE EASTERN WASHINGTON UNIVERSITY DEPARTMENT OF EDUCATION MERIT PAY SYSTEM

Authors

William Shreeve, Ed.D., Chair, Department of Education, Eastern Washington University

Muriel R. Radebaugh, Ph.D., Assistant Professor of Education, Eastern Washington University

Janet R. Norby, Ed.D., Professor of Education, Eastern Washington University

William G. J. Goetter, Ph.D., Undergraduate Studies, Department of Education, Eastern Washington University

T. K. Midgley, Ed.D., Professor of Education, Eastern Washington University

Arnold F. Stueckle, Ed.D., Professor of Education, Eastern Washington University

Barbara de Michele, M.S. in English Education

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ABSTRACT

CONTRACTING FOR MERIT PAY

The ideal merit pay system would 1) eliminate arbitrary assessments, 2) reward desired behaviors, 3) award merit pay to all who achieve designated goals, 4) individualize rewards; 5) encourage cooperation and 6) simplify evaluative procedures for easy administration. For two years the Eastern Washington University Department of Education has participated in just such a merit pay system. This article outlines the system's philosophy, operations and applications.

I. Introduction

Too often we hear about what educational merit pay systems are not or ought not to be. However, when negative criticisms are re-cast in positive terms, it appears that the ideal merit pay system would:

1) eliminate arbitrary assessment and personal judgment;
2) reward desired behaviors;
3) individualize rewards by recognizing diverse attributes and activities;
4) award merit pay to all who achieve designated goals;
5) encourage cooperation, and discourage the kinds of competitive activities which sap morale;
6) Simplify evaluative processes for easy administration while ensuring adequate supervision.

For two years the Eastern Washington University Department of Education has participated in a merit pay system which exhibits just these characteristics. In outline and philosophy, the system closely resembles learning and grade contracts used successfully by undergraduate students at numerous universities.

This is not a surprising parallel. The contract learning concept respects the individual learner's ability to balance freedom and responsibility.[2] When applied to professional endeavors, merit pay systems should also encourage self-directed activity, since the true professional educator is primarily motivated by

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personal, non-monetary rewards (self-esteem, peer recognition or student approval).[4] The Eastern Washington University Department of Education merit pay system helps educators satisfy these needs while simultaneously rewarding achievement of selected goals.

In our experience, the Eastern Washington University Department of Education merit pay system has spurred an overall staff development effort of significant proportions. The system operates with a high degree of professor approval and participation. In addition, the system appears to be easily applicable to other educational institutions, including public schools, both elementary and secondary. For these reasons, we provide an overview of the Eastern Washington University Department of Education merit pay system with suggested applications.

II. Eliminates Arbitrary Assessments:

One of the primary reasons for merit pay system failures has been the lack of satisfactory evaluative criteria, insufficiently prepared evaluators, inconsistent evaluative standards or unilateral evaluations.[9] The EWU Department of Education merit pay system eliminates all these negative aspects.

In place of personal judgment calls, this system provides a list of desired behaviors. The list, developed in cooperative meetings between administrators and professors, includes excellence in teaching, scholarly and professional achievement or significant individual projects. These will be discussed later in this report.

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Participation in the merit pay system is entirely voluntary. Prior to the beginning of the school year, those who wish to participate select the method or desired behavior by which they hope to achieve merit pay. They also indicate which of three achievement "levels" they desire, with the top level receiving higher merit pay. In short, the professors "contract" with the merit pay committee for a certain type and a certain level of additional achievement, just as undergraduate students might "contract" for certain types of learning or specific grades. (For a complete merit pay flow chart, see Figure 1.)

Once selections have been made, each professor knows exactly what types of work must be accomplished to receive merit pay. The positive parallels between this system and contract learning are demonstrated by Edward Dash, as quoted in Individualizing Education Through Contract Learning:[2]

> One way to reduce the problem of ambiguous teacher expectations of pupil behavior is to make instructional objectives crystal clear. Some educators have found that the contract system of teaching facilitates not only the clear understanding of objectives, but also increases the active participation of students in the learning process . . .

In their Research Bulletin, "Learning About Merit Pay from Business and Industry," the Phi Delta Kappa editors conclude:

> Improvement in performance -- and monetary compensation for that improvement -- are best achieved through the attainment of carefully planned goals and objectives, not through peer comparisons and competition for limited rewards.[3]

FIGURE 1. MERIT

Do I apply for
MERIT PAY?

YES —— **NO**

A. **Professional Service**	B. **Teaching**	C. **Combination** of A. and B.	D. **Special Project**
↓	↓	↓	↓
Level 1, 2, or 3?	Level 1, 2, or 3?	Level 1, 2, or 3?	Level 1, 2, or 3?
↓	↓	↓	↓
Application	Application	Application	Application
↓	↓	↓	↓
Performance	Performance	Performance	Performance
↓	↓	↓	↓
Documentation	Documentation	Documentation	Documentation

Merit Pay Committee
Verification and Review

EWU DEPARTMENT OF EDUCATION MERIT PAY SYSTEM

Participation in the merit pay system is entirely voluntary. Those who participate decide what type of merit activity they wish to pursue. They next indicate the level (1, 2 or 3) of merit pay desired, with level 1 having the highest requirements and highest reward. After completing application, each professor conducts the required activities and documents performance. At the end of each school year all documentation is forwarded to the department merit pay committee for verification and review.

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By providing clearly stated goals and then delegating responsibility for achieving those goals to participating educators, the contract system of merit pay increases self-esteem, emphasizes self-directed learning, allows for individual differences and overcomes objections to arbitrary evaluative techniques. The EWU merit pay committee simply ascertains whether or not selected goals have been properly achieved. (See Figure 1.)

III. Rewards Desired Behaviors

Every merit pay system purports to reward desired behaviors (excellent teaching skills, improved skills, difficult teaching positions, and so forth) but those that rely on peer or supervisory evaluation rarely spell out specific behaviors. indeed, a too-specific list of desired behaviors might bind evaluators to "knit-picking" standards.

Contracts for merit pay, on the other hand, may be quite specific when it comes to behavior expectations, since individuals have the option of selecting from among a number of methods. This feature also makes the contract system highly adaptable to numerous systems.

All affected participants must identify desired behaviors, study methods for encouraging those behaviors and allow for open discussion. Stated goals should then represent mutually desired objectives--a clear advantage in attracting enthusiastic support from merit participants. At Eastern Washington University, desired

behaviors were selected by a committee composed of University Administrators and Department of Education Professors.

IV. Individualizes Rewards by Recognizing Diverse Attributes and Activities:

At Eastern Washington University, the Department of Education merit pay committee identified four areas which deserved merit reward. These are:

*excellent teaching skills. Professors who choose this method for receiving merit pay may ask for either a peer or student evaluation. Peer evaluations are conducted by two members of the department or by general ballot of the entire department. Student evaluations are conducted by questionnaire at the end of each quarter. In each case, the participant must meet or exceed a predetermined percentage of "good" or "excellent" ratings.

*scholarship and professional service. Professors selecting this method serve on academic committees, or choose to engage in research and publication activities. In the latter category, a participant might be required to edit a book, write an article for a national journal, or make a presentation before a regional educational organization. Each activity is accorded designated points; the participant must accumulate the number of points which qualify for the merit reward.

*combination. participants may combine teaching skills, scholarship and professional service. In these cases, the department has designated required activities in each area. For example,

a professor might request a peer evaluation, publish a journal article and serve on an academic committee within the school year.

*Special projects. A participant may design a significant project, such as major research or the writing of a book, which suits his or her plans for individual professional growth. With the approval of the merit pay committee, the participant may then proceed to complete the project within the academic year.

Neal Berte, commenting on the learning contract concept, says:

> The history of American higher education is replete with examples of prior approaches to individualizing the undergraduate experience. Most famous, of course, is the elective system . . .
>
> The basic behavior principles from which all of these efforts at individualization have stemmed is that of individual differences -- the fact that students differ so greatly in their personal characteristics, such as their readiness for learning, that institutions will be more effective if they fit their educational programs as much as possible to their students individual needs.[2]

Cannot the same thing be said about educators? Each individual displays differing characteristics which may be equally valuable to students and the community. The contract merit pay system encourages educators to capitalize on their strengths much as educators encourage the same behavior in students. [For those who see contract merit systems as reducing risk-taking or improvement of weak areas, the solution is simple: re-write the goals and objectives to encourage such behavior].

V. Makes Merit Pay Available To All Who Achieve Designated Goals:

Research shows an insidious side-effect of "closed" merit systems (those, for example, that restrict rewards to the top 10 to 25 percent): employee morale deteriorates significantly the longer the plan is implemented.[3]

The EWU Department of Education merit plan rewards all who achieve their selected goals. For 1983-1984, approximately 90 percent of the department's fulltime professors received merit pay.

The American Association of School Administrators concludes: "Arbitrary limitations on the number of teachers who can be recognized defeats the purpose of recognizing and rewarding excellence in teaching when it occurs."[9]

VI. Encourages Cooperation

If the number of merit awards is limited, then the merit winners are, in effect, taking money from someone else's pocket. Jealousies, conflict, rumor, secrecy and lowered morale result from closed merit systems.

At Eastern Washington University, the department's "open" merit system has promoted cooperation. This article, for example, has been prepared by the EWU Department of Education Research and Editorial Team. Since there are clear advantages in cooperative efforts (pooled talents, pooled resources and group support) -- and no penalties -- several such teams have formed since the implementation of the merit pay system. Other teams have engaged in research, mutual instructional assistance and program development.

The clear beneficiaries of these cooperative efforts are the University and university's students.

VII. Keeps Evaluative Processes Simple and Easily Administered:

The EWU Department of Education merit pay plan disperses at least part of the evaluative responsibility to the participants themselves. Particularly for those who choose professional service, scholarly achievement or significant projects, documentation is accomplished by the participant for presentation to the merit pay committee. (See Figure 1) In most cases, this documentation fills large packets which are reviewed and validated by the committee.

If a participant requests a peer evaluation, two members of the department are asked to conduct it. However, the number of such requests make it possible to disperse evaluative duties among several department professors.

Student evaluations and peer ballots consist of one-page, easily-scored instruments.

Excessive paperwork, the necessity for additional supervisory personnel and attendant costs have posed major obstacles to merit pay systems in the past. The EWU Department of Education system encourages a reduction in evaluative procedures and does not require additional personnel.

VIII. Applications

As noted earlier, the contract merit pay system may specify behavior expectations since teachers may choose from among several

options. Ideally, community members, teachers and administrators would collaborate when identifying desired behaviors for receiving merit pay. The formulation of statements about teacher behaviors lends flexibility to the system -- stated expectations can encourage classroom performance, scholarship, professional growth, interaction with students, participation in program development, or any number of desired outcomes.

Specifically, besides excellent teaching skills a school system might decide to reward improved disciplinary techniques, teacher attendance at PTA meetings or school plays, advising extra-curricular student activities or coaching "teams" formed to improve classroom instruction.

The merit pay contract can also serve as an instrument which encourages group efforts to overcome perceived weaknesses. For example, schools with changing ethnic populations might find it advantageous to reward teachers who increase their education in multi-cultural environments, or who learn a second language. A community that requires more technical skills might reward teachers who include technical lessons with regular coursework, or who gain technical information applicable to individual academic specialities.

Larger school districts with diverse populations might formulate desired behaviors for individual schools or district regions, then fit those into overall district goals.

Flexibility, specifically stated objectives and mutually chosen behavior expectations make the contract merit system highly adaptable to elementary and secondary educational institutions.

IX. Conclusions

Although the Eastern Washington University merit pay system has been operating only a short time, it has already overcome many of the obstacles that have prevented merit pay systems from succeeding in the past. The acceptance of this system, the increased benefits for the university and university students, and the increased cooperation within the department of Education recommend the contract method of merit pay to the educational communtiy.

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